

**COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
ALEXANDRIA, LOUISIANA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2005

DESIREE' W. HONORE'
Certified Public Accountant
A Professional Corporation

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/29/06

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
ALEXANDRIA, LOUISIANA

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2005

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Desiree' W. Honore', CPA

6655 Van Gogh Avenue, Ste. A
Baton Rouge, Louisiana 70806
Telephone: (225) 924-6432
Fax: (225) 924-6452

A Professional Corporation

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Board of Directors
Community Outreach Opportunity Programs, Inc.
Alexandria, Louisiana

I have audited the accompanying statements of financial position of Community Outreach Opportunity Programs, Inc. (a not for profit organization) as of June 30, 2005, and the related statements of activities, functional expenses, and cash flows for the period then ended. These financial statements are the responsibility of Community Outreach Opportunity Programs, Inc.'s Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to the above present fairly, in all material respects, the financial position of Community Outreach Opportunity Programs, Inc. as of June 30, 2005, and the changes in its net assets and its cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my reported dated March 1, 2006, on my consideration of Community Outreach Opportunity Programs, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of my audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.



Baton Rouge, Louisiana
March 1, 2006

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NONPROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

STATEMENT OF FINANCIAL POSITION
YEAR ENDED JUNE 30, 2005

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$1,365	
Accounts Receivable	31,919	

Total current assets		<u>33,283</u>
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PROPERTY AND EQUIPMENT

Furniture and Equipment	23,499	
Less: Accumulated Depreciation	<u>(20,360)</u>	
Total property and equipment		<u>3,139</u>

Total assets		<u><u>\$36,422</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$1,669	
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	<u>1,669</u>
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Total current liabilities

NET ASSETS - UNRESTRICTED

<u>34,754</u>

<u>34,754</u>

Total liabilities and net assets

<u><u>\$36,422</u></u>

The accompanying notes are an integral part of this statement.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NONPROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2005

SUPPORT AND REVENUE

Grant from Governor's Office of Urban Affairs and Development	\$210,000
Grant from Department of Education (TANF)-Afterschool	125,989
Contributions	277
Interest Income	5
Total Support and Revenue	<u><u>\$336,271</u></u>

EXPENSES

Program services	
Urban Affairs	210,221
Department of Education-TANF Afterschool	115,504
Depreciation	7,567
Total Expenses	<u><u>\$333,291</u></u>

CHANGE IN NET ASSETS	2,980
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Net assets - beginning of period	<u>\$31,774</u>
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Net assets - end of period	<u><u>\$34,754</u></u>
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The accompanying notes are an integral part of this statement.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NONPROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2005

	<u>Total</u>	<u>Urban Affairs</u>	<u>TANF Afterschool</u>	<u>Administrative</u>
ADMINISTRATIVE				
Contract Labor-Admin	66,528	28,858	37,670	-
Insurance	2,788	1,936	852	-
Postage	72	72		-
Professional Services	6,068	5,807	261	-
Rent	4,400	2,400	2,000	-
Repairs and maintenance	1,806	1,406	400	-
Supplies	1,023	1,023		-
Telephone	1,795	1,311	483	-
Travel	0			-
Utilities	1,032	699	333	-
PROGRAM EXPENSES				
Contract Labor-Tutors	66,048	1,875	64,173	
Salaries and wages	18,579	18,579		-
Payroll taxes	1,461	1,461		-
Office Supplies	2,030	1,898	132	-
Therapeutic and training supplies	8,020	1,216	6,804	-
Travel	2,725	329	2,397	-
Tutorial (Other) Assistance/Services	141,351	141,351		-
Total expenses before depreciation and loss on disposal of equipment	325,725	210,221	115,504	-
Depreciation	7,567	-	-	7,567
Total Expenses	<u><u>\$333,292</u></u>	<u><u>\$210,221</u></u>	<u><u>\$115,504</u></u>	<u><u>\$7,567</u></u>

The accompanying notes are an integral part of this statement.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NONPROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:	
Decrease in net assets	\$2,980
Adjustments to reconcile increase in net assets to net cash used by operating activities	
Depreciation	7,567
(Increase) decrease in operating assets	
Accounts Receivable	(10,860)
(Decrease) increase in operating liabilities	
Payroll taxes Payable	1,669
	<hr/>
Net cash provided by operating activities	1,355
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DECREASE IN CASH	1,355
CASH AND CASH EQUIVALENTS - beginning of period	\$9
CASH AND CASH EQUIVALENTS - end of period	<u>\$1,365</u>

The accompanying notes are an integral part of this statement.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NOT FOR PROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

1. Summary of Significant Accounting Policies

a. Operations

Community Outreach Opportunity Programs, Inc. (COOP) provides after school tutorial instruction with homework assistance, math and reading enrichment, and development of computer skills to school age children. COOP is dedicated to providing educational, tutoring, cultural enhancement, counseling, and related services to "at risk" youths. Additionally, COOP allocates funds to organizations located in the Central Louisiana are that are in accordance with the exempt purpose of the organization. Funds for COOP's activities are provided by the Governor's Office on Urban Affairs of the State of Louisiana and the Louisiana Department of Education (TANF). All sources of available revenues, excluding management operational expenses, are given to qualified organization and targeted persons performing the mentioned services.

b. Basis of Preparation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The organization had no temporarily or permanently restricted net assets as of June 30, 2004.

c. Revenue Recognition

Community Outreach Opportunity Programs, Inc. receives substantially all of its grant and contract revenue from governmental agencies. Revenue is recognized when services are provided. Expenses are recognized as incurred.

Within the terms of the grants and contracts, any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both as a result of non compliance by Community Outreach Opportunity Programs, Inc.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NOT FOR PROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2005

d. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and or nature of any donor restrictions. COOP has not received any contributions with donor imposed restrictions that would result in temporarily or permanently restricted net assets.

e. Property and Equipment

Property and equipment are recorded at cost. Expenditures for maintenance, repairs, and minor renewals are charged against earnings as incurred. Major expenditures for renewals and betterments are capitalized. When items are retired or otherwise disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any resulting gain or loss is credited to or charged against income. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives (25 years for building and improvements, 3-7 years for furniture and equipment, and 5 years for vehicles), using straight-line method.

f. Income Taxes

The Organization is a nonprofit organization that is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

g. Cash and Cash Equivalents

Cash and cash equivalents consist of items having maturities of three months or less from the date of acquisition.

h. Concentrations of Credit Risk

The Organization maintains its cash balances in financial institutions located in Alexandria, Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$ 100,000.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NOT FOR PROFIT ORGANIZATION)
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NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2005

2. Management and General Expenses

To coordinate and conduct the many programs, these expenses are necessary and accounted for as though they were part of a foundation or corporate account. Expenses are separated and reported as shown in the Statement of Functional Expenses.

3. Going Concern Uncertainty

The Organization relies on substantial government grants from the state of Louisiana. As of January 6, 2006, the organization had ceased operations. The Office of Urban Affairs sustained a significant reduction in funding in the aftermath of Hurricane Katrina. In addition, funding from the Louisiana Department of Education for future fiscal years was uncertain.

Desiree' W. Honore', CPA

6655 Van Gogh Avenue, Ste. A

A Professional Corporation

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Telephone: (225) 924-6432

Fax: (225) 924-6452

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors

Community Outreach Opportunity Programs, Inc.

Alexandria, Louisiana

I have audited the financial statements of Community Outreach Opportunity Programs, Inc. (a not for profit organization) as of June 30, 2005, and have issued my report thereon dated March 1, 2006. These financial statements are the responsibility of the Community Outreach Opportunity Programs, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

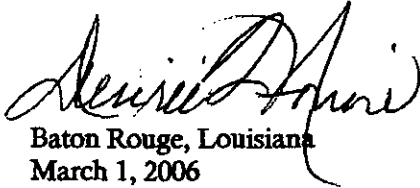
As part of obtaining reasonable assurance about whether Community Outreach Opportunity Programs, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Community Outreach Opportunity Programs, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a certain matter involving internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Community Outreach Opportunity Programs, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 05-01.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. I noted one matter involving the internal control over financial reporting and its operation that I consider to be a material weakness.

This report is intended for the information of the audit committee, management, any cognizant agencies, and the Office of the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Baton Rouge, Louisiana
March 1, 2006

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
(A NOT FOR PROFIT ORGANIZATION)
ALEXANDRIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

SUMMARY OF AUDIT RESULTS

1. The auditor's report expressed an unqualified opinion on the financial statements of Community Outreach Opportunity Programs, Inc.
2. One reportable condition relating to the audit of the financial statements is reported as 05-1 in this schedule.
3. One instance of non compliance material to the financial statements of Community Outreach Opportunity Programs, Inc. was disclosed during the audit.

FINDINGS-FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS

05-1 Record Keeping

Finding: The organization failed to keep a sufficient backup of accounting system records. During the course of closing the year, the organization sustained a loss of recorded financial transactions due to a hardware failure. When the hardware was replaced, the organization spent a significant amount of time recording all financial transactions. The backup maintained was not sufficient to allow for recovery of lost data.

Recommendation: The Organization should make daily backups of all financial data.

AUDIT LAWS

Finding: The Organization's financial statements were not submitted within the six months of year end .

Criteria: Louisiana Revised Statute 24:513 requires the engagement to be completed within six months of the close of the entity's fiscal year.